

CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION

DIVISION INFORMATION STANDARDS

Standard Practice U-2-W

SAN FRANCISCO, CALIFORNIA

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A – PURPOSE AND SCOPE

1. These guidelines apply to all Water Division documents (decisions, briefs and resolutions) and correspondence (letters, memoranda) and all reports, including testimony and staff reports.
2. Reasonable deviation is allowable when appropriate. If you have any questions about the specific issue you are grappling with in relation to the format, a citation or writing style, consult your supervisor.
3. The Division Standard for correspondence is perfection. There should be no errors in outgoing work products and all incoming documents should be properly processed.
4. An analyst or engineer (analyst) is responsible for creating the work product. Normally this consists of analyzing information and writing a draft resolution or staff report. All resolutions and staff reports will be done using Document Management. Set security so the analyst's project manager and all upper level managers can access the document as, at least, Read Only.
5. If the Project Manager and the Analyst disagree on a significant issue, they should discuss it with a Supervisor. However, the project manager has the responsibility for the report.
6. Staff reports are not like testimony, where the witness can sponsor a position and defend it with details on cross-examination. Staff reports must discuss in detail all issues related to the case and justify the way the issue was decided.

7. Project Managers are responsible for the correctness of the numbers in the report. The Analyst must provide the Project Manager with an electronic copy of all spreadsheets he or she used to prepare the work product.
8. Supervisors are responsible for assuring that the documents are clearly written and complete (discuss every issue). This means, for example, that the Supervisor must have read the application, if the work product is a draft decision. Supervisors will not normally check calculations, but in keeping with the above guideline, should review tables for any visible errors, typos or clearly wrong numbers.
9. Project Managers and Supervisors should each check the justification for all positions (prior Commission Order, Public Utilities Code Section). Water Division work products should never establish any new regulatory policy. That should be done only in a formal proceeding.

B – INCOMING CORRESPONDENCE

10. The Branch secretaries will open and date-stamp all mail except personal/confidential and inter-office mail.
11. They will distribute mail to the Branch Chief, Supervisors, and Seniors. For others, they put it in their mail slots.
12. Mail from DHS and other state agencies should be circulated then filed in the appropriate (609) file (Company files). Any other mail coming from other water organizations will circulate to all (using the Pass-Around folders).
13. Mail dealing with tariff filings and advice letters goes to the Tariff Unit.
14. All other incoming mail goes to the Branch Chief, unless addressed to a specific person, and the Branch Chief makes the assignment.

C – OUTGOING CORRESPONDENCE

1. General

15. Most Water Division documents (unless you are using the templates in Document Management) will be single column, 12 point Times New Roman with footnotes in 10 point. Paragraphs are left justified. Top, bottom, left and right borders should be one inch. If paragraphs are numbered, they shall be numbered consecutively.

2. Security

16. Drafts of outgoing correspondence are confidential until approved for distribution. If you want to print a draft and don't want anyone else to be able to pick it up from the printer and read it, follow the procedure below:

INSTRUCTIONS ON HOW TO PRINT A “PRIVATE JOB” IN MICROSOFT PROGRAMS

- a. Left Click on File.
 - b. Left Click on Print.
 - c. Left Click on Properties (at top right of Print Screen).
 - d. Of the multiple tabs available at top of this screen, Left Click on Job Storage.
 - e. At the Job Storage page, Left Click to highlight the circle next to Private Job (Under Job Storage Mode), then type in a 4 digit PIN number under Require PIN.
 - f. Left Click the OK button at the Bottom Right of the page.
 - g. At the Print Screen, Left Click the OK button at the Bottom Right of the page.
 - h. A Job Storage Identification Page will appear that shows your 3-Initials on one line and the Job Name (Document # (1-99)) on the other. Left Click the OK button at the Bottom Center of this page.
 - i. Now go to the Printer that you sent the document to.
 - j. At the Printer, first click the Menu Button on the Key Pad on the Right Side of the Printer.
 - k. Now, using the Screen as a TouchPad, touch Retrieve Job.
 - l. At the Next Screen, touch the line that has your 3-Initials.
 - m. At the Next Screen, touch the Document Number (described under Item #8) that you are printing.
 - n. At the Next Screen, touch Print.
 - o. At the Next Screen, enter your PIN number on the Key Pad on the Right Side of the Printer, then touch OK on the TouchPad.
 - p. At the Next Screen, choose the number of Copies, then touch OK on the TouchPad.
 - q. Your Printout should now begin printing.
 - r. Once you Set Up “Private Job” printing, all of your printing will print that way. So, when you are done printing the “Private Job”, remember to go back to Steps 1 through 5, and under Job Storage Mode (on the Job Storage Page) Left Click to highlight the circle next to Off. Then, Left Click the OK Button at the Bottom Right of the Page.
17. Staff should protect personnel records, memoranda of a sensitive nature, comments on decision drafts and staff workpapers, until the staff report is released.¹
- ### **3. Email**
18. Employees may use their e-mail for personal use, within reasonable limitations.
19. Employees should access personal e-mail on their own time. Granting the privilege of e-mail for personal use does not constitute condoning its use on company time.
20. The acceptable content of an e-mail message is no different than the acceptable content of personal conversations. E-mail messages containing unacceptable racial, sexual, or religious content will not be tolerated and will be dealt with when reported. Employees should report any offensive e-mail messages to their supervisors, who will then deal with the message(s) like any other unacceptable behavior.
21. Within many parts of the world including the European Union, an email may be legally binding. You should not use a CPUC email address for personal use because of these potential liabilities.

¹ Memorandum dated May 26, 1987 from Wesley Franklin, Chief, Water Utilities Branch to Bruno A. Davis, Director, Evaluation and Compliance Division, Subject “Division’s Public and Confidential Files.”

22. Never put in writing in an email anything that could cause damage our agency.
23. Do not use CPUC electronic mail facilities for commercial or private business purposes.
24. Answer e-mail within four hours. If you need more time, respond to the e-mail saying so.
25. Keep "Confirm Delivery" or Confirm Reading" option checked to off. Each confirmation requested generates another e-mail message. Should there be a business reason to turn a confirmation setting "ON", please ensure that it is turned back "OFF" after the email has been sent.
26. Use DM5 whenever possible to share files within the CPUC.
27. For short bodies of text, embed the text into the mail message itself, rather than attaching a separate document.
28. Mail stationery and graphics should not be used. Use of the background stationary option inflates the size of a mail message because it embeds a graphic image. Larger messages increase processing time per message and slow down overall mail flow. Additionally, other mail packages often cannot interpret the stationery or graphics, so the receiver cannot open or cannot see your text.
29. Don't share music, graphics, and programs. If it includes attachments (such as .mp3 music files, .jpg and other graphics files, and executable programs), which are often large, the personal mail requires more mail-system handling time. Examples of executable (.exe) programs include: "dance fever," santaclaus.exe, grannyrun.exe, and assorted electronic holiday greeting cards. Music, graphics, and programs are larger than text-only files. They consume storage space, which prolongs daily and weekly server backup-time. These files also present serious risks of spreading hidden virus infections.
30. The CPUC cannot guarantee the privacy or confidentiality of any electronic mail message or document, and that it reserves the right to inspect, copy, store, and disclose the contents of electronic mail messages at any time, with the approval of the appropriate authority.

4. Memoranda

31. All memoranda leaving the Division will use the State Seal Memo Form available in Document Management. Prepare the memo as described below:



Memorandum

Date: Date of Memo

To: Recipient of Memo

From: **Public Utilities Commission—San Francisco -**

Memo Writer's Name and
Position (Writer's
Initials in ink)

File No: See Appendix A

Subject: *Subject of Memo*

Use memos to make requests, announcements, and sometimes as a cover letter to communicate reports. Single space memos and use a serif typeface. Skip a line between paragraphs.

Memos that make requests or announcements are read quickly. For such memos, get to the point in the first paragraph--the first sentence, if possible. Keep the sentence lengths and paragraph lengths relatively short. Sentences should average fewer than twenty words, and paragraphs should average fewer than seven lines. Also, keep the total memo length under one page, if possible.

Sometimes you will use memos to communicate reports (two pages or more). For these memos, you can include illustrations, attach appendices, and break the memo's text into sections. If references arise in the memo, include as endnotes. In memos that act as reports, the style changes as well. The sentences and paragraphs are typically longer than in memos that simply provide announcements or make requests.

For all types of memos, send copies to anyone whose name you mention in the memo or who would be directly affected by the memo. Finally, remember that final paragraphs of memos that make requests or announcements should tell readers what you want them to do or what you will do for them.

Attachments.

Copy to:

Name to Receive Copy

Name to Receive Copy

5. Letters

- 32. Outgoing correspondence will normally go by letter.
- 33. Letters use the CPUC 2003 letterhead in Document Management. Prepare the letter as follows:

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



Insert Date

File No. (see Appendix A)

Recipient's name, Recipient's title

Recipient's company

Recipient's company address

ALL CAPS CITY NAME AND STATE ABBREVIATION, Zip

Dear (Mr. or Ms.) Lastname: (You can strikethrough this and write the first name in ink if you know the person well and it is not a formal letter.)

Identify the origin of the letter. "This letter is in response to..." or "Your correspondence of (date) has been forwarded to me for reply." "This is an invitation to a conference..." "As we discussed on the telephone today at 10 AM..." Always tie the letter to the situation you are going to write about

"In your letter you..." "On (date) your utility dug a trench..." Describe things in temporal order (oldest first) or, if you are responding to their letter, the things they have requested in the order they requested them. Describe the situation in detail. List all the issues.

Do not insert opinion, use analyses. Start from a source, Commission decision or resolution is best, and show how it applies. Address each item you have identified. Discuss possible solution but do not put yourself in the position that someone at the utility can say "the staff told me to do it."

"If I can be of further assistance, please contact me at (phone) or (e-mail address.)"

Send copies to anyone whose name you mentioned in the letter or who would be directly affected by the letter.

Sincerely,

Signature

Name, Position

Branch

Water Division

Enclosure.

cc: Names to receive copy

34. The Project Manager will sign all project related correspondence (data requests, etc.)
The Branch Chief or the Division Director will sign most other letters. All letters that are sent out of the Division must be sent in electronic form to the Branch Secretary or Executive Secretary who will save the final version in Document Management with security set to All Docs Users.
35. Letters originated by the Project Manager or higher management will be reviewed by the next higher manager before sending.

6. One Pagers

36. If you are called upon to do a one-pager, the guidelines can be found in Appendix E.

7. Outgoing Correspondence

Outgoing Correspondence Review Checklist

- ☐ Attach related letters, workpapers and documents to the outgoing correspondence.
- ☐ In the case of outgoing correspondence related to an advice letter, attach the correspondence to the outside cover of the advice letter folder and put the related workpapers and documents inside the folder in an organized manner.
- ☐ Outgoing correspondence must have a “File No.”, based on Water Division’s file and system number designation of each category (see below).
- ☐ Fill out the top and bottom portions of the outgoing correspondence form (pink form). Top portion includes: name of water or sewer company; date the letter is sent for approval; author’s initial; and signer’s initial. The bottom portion of the pink form includes mailing instructions.
- ☐ For first, second and third level approval, fill out the “Send To” column by checking the appropriate name.
- ☐ Attach the pink form on top of the outgoing correspondence.
- ☐ The author of the outgoing correspondence shall instruct the support staff, via the pink form, to send a copy of the correspondence to:
 - (a) Protestant in advice letter filing;
 - (b) Chrony File;
 - (c) Division File including the file No.;

- (d) Formal File including the file No., Service List and ALJ
 - (e) Interested parties outside the Commission designated on the pink form as “cc’s”;
 - (f) Author of the outgoing correspondence and other interested staff in the Commission designated on the pink form as ”bcc’s.”
- ❑ When ready for review and signature, send the correspondence including the attached documents/advice letter folder and the pink form to the assigned Project Manager for the “First Level Approval.” or signature. The Project Manager will annotate the correspondence using the proofreader’s marks in our dictionary. If there are just a few corrections, the Project Manager will forward the document to the Supervisor for additional review, otherwise the drafter will make corrections based on the proofreader marks before going forward.
 - ❑ The individuals responsible for First Level Approval are: Senior Utilities Engineers in the Water Branch and Sean Wilson in the Audit and Compliance Branch .
 - ❑ The first level reviewer shall send the outgoing correspondence to the second level reviewer for approval or signature. The second level reviewers are Donna Waggoner for the Audit and Compliance Branch and Program and Project Supervisors for the Water Branch. The second level reviewer shall send the outgoing correspondence to the “Third Level” manager for review and signature. The Third Level managers are the Branch Chiefs. The Division Director will approve and sign the outgoing correspondence only after the Program Managers have approved the letter.
 - ❑ If a first level reviewer is not in the office, the outgoing correspondence will go to the next higher level or the reviewer’s designated replacement for review and approval. All correspondence must be reviewed by someone other than the final signer.
 - ❑ All non-project-related outgoing correspondence will be signed by project managers or higher-level managers.
 - ❑ Pink forms will be attached to Chrony File copy.
 - ❑ For outgoing correspondence to be signed by the Executive Director, use the checklist in Appendix E.

8. Data Requests

37. See Appendix C for a Data Request format.
38. Data requests will be signed by the Project Manager. If the request is by e-mail or telephone, the analyst will check with the Project Manager first before the request is made.
39. For written data requests, send a draft of the data request to the CSD, ORA, and Legal Division Data Request Coordinator. The Coordinator will forward the draft DR to staff people within the division who are assigned to the same or related subject matter, and confirm whether the requested information has already been requested by them or others in the agency. The Coordinator shall advise the originating division (specifically, the responsible staff person who should be named on the draft DR) within 2 days, so that the DR may issue expeditiously.²
40. Even if the data was provided earlier by a utility, if the information is no longer available or if it is impracticable to reassemble it or to use it for a particular project, the staff may request a copy of the information from the utility, referencing the original data request.

9. Resolutions

(see Appendix B for an example)

41. Each Resolution should have the following structural components described below, but in addition, the Resolution should be:
- Clear (so that the reader knows the writer's intent),
 - Concise (free of unessential material),
 - Continuous (readers concentration is not interrupted unnecessarily),
 - Comprehensive (stand alone document that provides the reader with enough information that one needs to have an understanding of the matter),
 - Grammatically correct.
42. The analyst who reviews the Advice Letter or whatever triggers the Resolution has the most knowledge about the subject in the Commission. Accordingly, the analyst's most difficult task is to put himself or herself in the shoes of the Commissioners. What is it that the Commissioners need to know in order to understand and deliberate on the Resolution?
43. The Resolution should have the following components:

² Memorandum dated January 15, 2002 from Wesley M. Franklin, Executive Director to Division Directors Subject: Data Request Protocol

Summary

- What is being asked for.
- What the resolution does. (Grants, Denies, Modifies)
- Why, rationale for disposition of the request.
- List Protestants, if any. (Summary of Issues)

Background

- Brief history that answers: Who, What, When How, Why.
- Narrative of what the utilities requesting and any other facts that provide context for the Resolution. .

Notice

- All Advice Letters are noticed in the calendar; note that letters that require resolution should also go on the calendar, e.g., request for a deviation for example?
- Were all relevant parties served? Were customers noticed?

Protests

- List all the protests and responses (note dates). Also note anomalies such as Withdrawn, Late, Other.
- State the basis of the protest (quoting as much as possible from the protest).
- State the utility's response to the protest (again, quoting as much as possible from the protest).

Audit

- If an audit was performed, state the start date and who performed the audit. List the audit recommendations in the body of the resolution and in the ordering paragraphs where appropriate.

Discussion

- Take up each one of the items and/or issues requested by the utility.
- Discuss why the requested item is (un)reasonable and the reason(s) why.
- State the disposition of the request and the protest. (Grant, Deny, Deny without Prejudice)

Note:

1. The discussion can be organized several different ways. The important thing is to remember is that all of the items discussed above need to be included.

2. Here is a helpful mnemonic --- IRAC.
 - a. Issue. Clearly define the issue.
 - b. Rule. What is the relevant law, decision, general order, tariff that is controlling..
 - c. Analysis. The analysis is the reasoning that should be the application of the issue to the rule, i.e. a tariff, decision, general order, law.
 - d. Conclusion. The ultimate disposition of the request. Approved, denied, etc.

Compliance

- A summary of the utility's compliance status. If any items are outstanding, the resolution may be made contingent on compliance.

Comments

- PU Code Section 311(g) requires circulation of draft resolutions for comment, unless the requirement is either waived or exempted. Filed comments are acknowledged and summarized in this section, comments, if adopted, are reflected in the other parts of the resolution.

Findings

- A positive statement of the existence or non-existence or state of a thing or event, one or more findings is needed for each issue.

Ordering Paragraphs

- Each order resolves an issue presented in the resolution. Keep them as succinct as possible.
44. If one of these sections is very long or has several different topics, place a 'headline' in the text as a break to assist the reader by noticing the change. For example, in the Protest section, if, after the narrative describing a party's protest, a break before the utility's reply can be described as, "Acme Water Company's replies to the City's protest and rebuts the City's claim that its actions are in violation of D.05-XX-YYY." See the attached example of a Resolution that follows this guide.

10.Decisions

45. Some guidelines for writing decisions are contained in Appendix C. Use a prior decision as an example.

11.Posting

46. From the CPUC01 Library in Document Management, the Water Branch Secretary will save all (1) RES-C files thirty days prior to each Commission meeting to WebPub for it to be approved (by the Branch Chief) for posting on prerequisite date. (2) RES-A files ten days prior to each Commission meeting, (3) RES-F files on Commission meeting days.

12. Written Documents Generally

Proofreading Standards³

- Read each document twice.
- Slow down your reading rate.
- Read numbers digit by digit.
- Read out loud to someone else who is reading with you if possible.

Writing Standards

Paragraph Formatting

47. Paragraphs should be left justified, single spaced and not indented. Generally use Times New Roman font, 12 point. Double space between paragraphs. Don't use subparagraphs if a bulleted list will do. If you must use subparagraphs start by using small letters. If you absolutely must have subparagraphs of subparagraphs use numbers with the number enclosed in parentheses.

Page Formatting

48. Borders should be one inch (top, bottom, left, right). Number each page in the footer, centered, and put the Document Management document number in the footer, left.

Abbreviations and Contractions

49. Use a contraction rather than an abbreviation. For example, for California Water Service Company use "CalWater" rather than CWSC.
50. Do not use verb contractions in Commission documents. For example: use "do not" instead of "don't" and use "is not" instead of "isn't."

Tense: past versus present.

51. Mainly use the past tense.

³ From "Mistake-Free Grammar and Proofreading" CareerTrack Course

Punctuation in a quotation.

52. Periods and commas go inside the closing quotation mark. Colons and semi-colons follow the quotation mark. Exclamation marks and question marks can go either place.

Footnotes

53. The footnote number follows the words or phrases to be footnoted and the terminal punctuation of sentences, without intervening space.⁴ Be sure to footnote not only quoted material but also summaries of other party's arguments. You do not need to footnote basic facts known to most expert witnesses, even if you discovered them in the work of one particular expert witness; you do need to footnote theories and points that are unique or uniquely expressed. List the author's name, the title of the article (in quotation marks), the name of the periodical in which the article appeared (in italics), the volume number of the periodical or publisher of the book, the date on which the article appeared, and the pages in which the article appeared.
54. On the second mention and thereafter, list the author's last name, the title of the article (abbreviated if long), and the page number.
55. If you footnote a source and your next footnote comes from the exact same source, there is no need to repeat all of the information. Instead, use the abbreviation *ibid.*, which is short for *ibidem* ("in the same place"). This will tell your readers that you're referencing the exact same source that you referenced in the previous footnote. If the page reference is the same as in the previous footnote, use *ibid.* by itself. If the page reference is different, include it.
56. Do not use *op. cit.* If you need to repeat a citation go to where you want the reference located and:

On the **Insert** menu, point to **Reference**, and then click **Cross-reference**.

In the **Reference type** box, click **Footnote** or **Endnote**.

In the **For which** box, click the note to which you want to refer (you may have to change the Reference Type to Footnote..

In the **Insert reference to** box, click **Footnote number** or **Endnote number**.

Click **Insert**, and then click **Close**.

⁴ *The American Heritage Dictionary*, Second College Edition, Houghton Mifflin Company, Boston, p. 62

The note reference mark is inserted as unformatted text rather than as superscript.

Format the note reference mark as superscript.

57. If you want to write your own commentary in a footnote, include it after the source information.
58. If a paper or book contains only a few quotations, you can indicate footnotes with * or † or other symbols instead of numbering the footnotes. If you choose this option, use the symbols in this order: * † ‡ §

Ellipsis

59. When you omit something from the middle of a quotation, indicate the omission with an ellipsis, which consists of three dots originally separated by spaces (. . .) but is now a special symbol in Word created by typing “Alt-Control-.” (...). An ellipsis is not punctuation. If you need a comma or period, put it in the appropriate place. Example: He has enough to satisfy his wants..., but he is still greedy for more.

Dangling phrases.

60. Do not leave your participial and gerundial phrases dangling. Wrong: Thinking over the conundrum, the answer became apparent to Mary. Right: Thinking over the conundrum, Mary discovered the answer. (Mary, not the answer, did the thinking.)

Pronoun Agreement.

61. Make certain that your pronouns agree with the noun or nouns. Recently, English speakers have come to use they as a singular pronoun in cases where the gender of the person in question is unclear. In formal writing, however, this is not accepted practice. The pronoun they is always plural. Wrong: If anyone thinks that good writing does not require rewriting, they are sadly mistaken. Right: If anyone thinks that good writing does not require rewriting, she or he (or, he or she) is sadly mistaken. A better alternative is to restructure the sentence: Anyone who thinks that good writing does not require rewriting is sadly mistaken. However if the pronoun refers to both males and females, you should avoid sexist language and use the plural. Instead of “Each manager must meet with his staff”, say “Managers must meet with their staffs.”
62. The proper pronoun for a utility is it, not they.

Subject and Verb Agreement

63. The subject and verb must agree in number. A singular subject needs a singular verb; a plural subject needs a plural verb.
64. Use a singular verb after each, nobody, someone, anyone, anybody, everyone, every, one, another, much, and everybody. Use a plural verb after both, few, many, others and several.
65. Ignore phrases and clauses that separate the subject from the verb. "The box containing all of the missing materials was found in Emeryville." "Program managers, along with the speaker, have to meet at the seminar."
66. Collective nouns: If the group is acting as one unit, (team, committee, board) use a singular verb. If the members of the group are acting separately, use a plural verb.
67. When two or more subjects are joined by and, use a plural verb. When two or more singular subjects are joined by "or" or "nor," use a singular verb. If the subjects are of different numbers, make the verb agree with the subject nearest the verb.

Grammar And Usage Standards

68. The plural of a year does not use an apostrophe. "1990s" is correct; "1990's" is wrong.
69. Do not use a comma after a date, unless the date is at the end of a phrase that would normally end in a comma anyway.
70. Use a comma before the final "and" or "or" in a series.
71. Avoid separating two words with a slash "/" - in most cases a simple "and" will do, or use a hyphen (owner-president). Do not use "and/or." As above, a simple "and" will do.
72. "There" = location (There it is.) "Their" = possessive (it belongs to them) "They're" = contraction of "They are"
73. Use "that" instead of "which" whenever possible. Use "which" only when the word "that" is too awkward. Which is preceded by a comma. That is not. Which is necessary only for relative clauses and we rarely use them.
74. Try not to end a sentence with a preposition (common prepositions include: of, by, with, at, in, on, to, for, between, from, and through.)
75. Use italics for emphasis and to refer to the title of a court proceeding. If the emphasis is in a quote put (emphasis added) or (emphasis in original) as appropriate after the quotation.

Use of words

76. The word gravamen is a legal term that means the part of a charge or accusation that weighs most substantially against the accused. It is handy when you are writing an analysis and addressing multiple issues.

Misuse of words

77. “Amount” is used with nouns that have no plural (confusion, flattery, money, timber). “Number” is used with plural nouns (children, weapons, problems, bills). Similarly with “less” and “fewer”: “In order to weigh less we should consume fewer calories.” “Majority” should only be used with countable nouns (nouns with plurals). Do not say “the majority of the estate.” Use “the greater part” or, even better, “most.”
78. “May” represents a possibility that still exists, while “might” represents a possibility that existed at some time in the past but did not materialize. Consequently, the sentence “the mentally ill man may not have committed suicide had he been kept in the hospital” may sound correct, but it means that it is still possible that the man did not commit suicide. Lots of people make this mistake.
79. “At this moment in time” is unnecessarily wordy. This moment is always in time. “At this moment” is enough, or preferably “now.”

80. USE YOUR SPELL CHECKER

81. USE YOUR GRAMMAR CHECKER

82. DON'T TRUST EITHER ONE

Literary Citations

83. Put references in your text immediately after the first sentence in which the reference is cited. Do not put references at the end of the paragraph in which it is cited.
84. Proper reference format within the text is: (Lastname 1999: Page#) -- where Lastname=the author's last name, 1999=year of publication - if you are citing a direct quote or data, you must include a : [colon] after the year, followed by the Page Number(s) from which the quote came. Otherwise, the page number(s) is optional.
85. Put references before the final period in the sentence: ... and the population reached 55,000 in 1995 (Wright 1996: 337).
86. Always cite the reference source for information you obtained from somewhere other than your own mind. To not do this is plagiarism. If several contiguous sentences, or an

entire paragraph, of information comes from the same source, you need only reference it once in that paragraph.

87. "References Cited" should be used instead of "Bibliography" at the end of your report.

88. The proper format for References Cited is:

- Lastname, Firstname. Year. Book Title. CityPublishedIn: Publisher.
- Lastname, Firstname. Year. Chapter Title. In Book Title, ed.
- Firstname Lastname, pp.#-##. CityPublishedIn: Publisher. e.g. -- Smith, John P. 1556. Introduction. In T.C. Barnwood, ed., Geographies, pp. 3-12, London: Cheshire.
- Lastname, Firstname. Year. Article Title. Journal Title Vol#(Issue#):Page##-##. e.g. -- Smith, John, and Harney, Percy. 1910. New Discoveries in South America. Geography 12(3):56-61.

For example: San Francisco Pub. Util. Comm'n & San Francisco Dep't of the Env't, The Electricity Resource Plan (revised Dec. 2002) p. 68.

Legal Citations

89. Court opinions are widely published in books called reporters. This is where most citations to case law are made. There are many different reporters. The California Reporter, the California Appellate Reporter, the Pacific Reporter, the Federal Supplement Reporter, and the Supreme Court Reporter are examples.

90. The citation manual created by the editors of four law journals, the Columbia Law Review, the Harvard Law Review, the University of Pennsylvania Law Review, and The Yale Law Journal, referred to as The Bluebook⁵, is the most widely used codification of national citation norms. The Bluebook governs the citation practices of the majority of U.S. student-edited law journals and has through its successive editions shaped the citation education and resulting citation habits of most U.S. lawyers. However, the Commission uses a format slightly different from The Bluebook, and you may notice this when reading Commission opinions.

91. Most cases are cited something like this: State v. Black 570 P.2d 489 (CO, 1983) where State v. Black is the name of the case, and like all titles, must be either underlined or italicized. 570 is the volume number of the reporter where case information is found. P. 2d is the name of the reporter where the Court opinion is found, in this case, the Pacific Reporter, second series. 489 is the page number in the Reporter where the case opinion begins. (CO, 1983) is the Court where the case was heard (in this case, Colorado) and the year in which the decision was issued.

⁵ The Bluebook: A Uniform System of Citation, Cambridge: Harvard Law Review Association, most current edition

92. Sometimes you need to note the specific page within an opinion. So, if you wrote the citation: State v. Black 570 P.2d 489, 493 (CO, 1983), this would indicate that while the case opinion begins on page 489, the specific material you want people to notice begins on page 493. If the citation is to a dissenting, concurring, or plurality opinion or to dictum that fact should be reported in separate parentheses following the date.
93. Although it looks awkward to read, legal citations are usually placed directly into the text of a brief. In the narrative parts of a brief, complete citations are used the first time they appear, but may be abbreviated afterwards as follows: If the full citation is: State v. Black, 570 P.2d 489, 491 (CO, 1983) the subsequent citations may be abbreviated as: Black, 570 P.2d at 493 (if page 493 is where the specific information is located.) If the citation is a Commission Decision found in the bound volumes use D.93-02-013, 48 CPUC 2d 107, at 115.
94. Sometimes an opinion may be published in more than one reporter. It is good manners to cite parallel sources.

General Abbreviations:

The following abbreviations are commonly used in legal citation:

Abbreviation	Meaning
§	Section
USC	United States Code
¶	Paragraph
Const.	Constitution
art.	Article
amend.	Amendment
Cir.	Circuit (referring to Circuit Courts)
ann.	Annotated
CCA or Cal. Code. Ann.	California Code Annotated
cl.	Clause
2d, 3d	Second Series, Third Series (second or third set of volumes for a particular Reporter)

Note: If you need to say "section" at the beginning of a statement, spell it out, but if it's within a sentence, you may use the § symbol, available in Word by clicking Insert, Symbol, Special Characters. You can also set a hot key combination for this symbol.

95. Laws and Statutes are cited as follows: California Law: California Code Annotated 00-0-000 (3) (a) (or Cal. Code Ann.) abbreviated form: § 00-0-000 (3) (a), CCA or Cal. Pub. Util. Code § 1001 or SB 1389 (Chapter 568, Statutes of 2002)
Federal Law: 10 USC section 3069 (this means volume 10 of the United States Code, section 3069) abbreviated form: 10 USC § 3069

3. Constitutional materials are cited as follows:

California Constitution:	Article II, Section 1, California Constitution -- abbreviated form: Art. II, § 1, Cal. Const.
US Constitution:	Article II, Section 1, United States Constitution -- abbreviated form: Art. II, § 1, US Const.
Bill of Rights:	First Amendment to the United States Constitution

4. Case Law: As noted earlier, the general form for legal citations is: Case Name, Reporter information (year)

5. Reporters commonly used in researching California cases are listed below with abbreviations:

U.S. -- U.S. Reporter (covers US Supreme Court decisions)

F. Supp -- Federal Supplement Reporter (contains Federal District Court opinions)

L.Ed, L.Ed.2d -- Lawyer's Edition Reporter (contains US Supreme Court decisions)

F., F.2d, F.3d -- Federal Reporter (covers Federal Circuit Court of Appeals decisions)

S. Ct. -- Supreme Court Reporter (covers US Supreme Court decisions)

Cal. -- California Reporter (covers California Supreme Court decisions)

P. or P.2d -- Pacific Reporter (covers state court decisions from Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nevada, New Mexico, Oklahoma, Oregon, Utah, Washington and Wyoming)

6. Other regional reporters such as the Southern Reporter, Atlantic Reporter, etc. may sometimes be cited.

Examples:

7. A California decision: State v. Jones, 100 Cal. 271, 275, 485 P. 2d 123, 127 (1995) abbreviated form: Jones, 100 Cal. at 275. Notice that the case is reported in both the California Reporter (Cal.) and the Pacific Reporter (P. 2d). We know it's a California Case because it is in the California Reporter, so the state abbreviation is left out of the parentheses where the date is listed.

8. Another state's decision: State v. Smith, 215 P. 2d 214, 225 (CO, 1997) abbreviated form: Smith, 215 P. 2d at 225

Notice that the out of state case cites the state and the year (CO, 1997). This is because the case citation comes from the Pacific Reporter, and in this situation you can't tell which state decided the case.

9. Federal Court decision: Smith v. Jones, 123 F. Supp. 456, 461 (D. Cal. 1995)
abbreviated form: Smith, 123 F. Supp. at 461

Notice that D. Cal. means the case originated in the Federal District Court for California.

10. Federal Circuit Court of Appeals decision: Anderson v. Wilson, 3 F. 3d 292 (9th Cir., 1996) abbreviated form: Anderson, 3 F. 3d at 302

9th Cir. means the case was heard by the 9th Circuit Court of Appeals.

11. U.S. Supreme Court Decision:
Roe v. Wade, 410 U.S. 113, 93 S. Ct 705, 35 L. Ed. 2d 147 (1973) abbreviated form: Roe, 410 U.S. at 116.

Notice that Supreme Court decisions can appear in three different reporters.

12. A decision not yet published in any reporter: (This only applies to a very recent decision) State v. Doe, No. 98-000 (Cal. April 25, 1998). 98-000 is the case number. The date the Court handed down its decision is in parentheses.

13. A Commission Decision
Re San Diego Gas & Electric Company (Valley-Rainbow) 2002 Cal. PUC LEXIS 919 at *9 - *10, Decision (D.) 02-12-066, mimeo at 7 (parallel citations) or D.93-02-013, 48 CPUC 2d 107, at 115.

Filing System Designations

	File No.	Title	Contact
DIVISION	505	ANNUAL REPORT	WYT
ADMINISTRATIVE			
	515	BUDGET/FINANCIAL	SNR
	520	CORRESPONDENCE	DRS
	521	COMPLAINTS	SNR
	525	EQUIPMENT SYSTEMS	DRS
	530	INQUIRIES/GENERAL CORRES.	DRS
	530-1	Info Reqstd Encl	WYT
	535	LEGISLATION	SNR
	540	MEETINGS	
	540-1	COMMISSION AGENDA	DRS
	540-2	PAST AGENDA	DRS
	540-3	NEXT AGENDA	DRS
	545	BUILDING	SNR
	550	STAFF ORGANIZATION	LGO
	555-1	FORMS	DRS
	561-1	NARUC	LGO
	561-2	CWA	LGO
	561-3	NAWC	LGO
	561-4	AWWC	LGO
	565	POLICIES & PROCEDURES	FLC
	570	SUBSCRIPTIONS	LGO
	575	TRAVEL	LGO
	575-1	TRAVEL EXPENSES	LGO
	580	SPECIAL STUDIES	DRS
COMPANY FILE			
	600	CERTIFICATION	DRS
	601	RATES	DRS
	602	GENERAL CORRESPONDENCE	DRS
	602-10	NON-COMPANY SPECIFIC	DRS
	602-19	ADVICE LETTER	DRS
		CORRESPONDENCE	
	603	BONDARY EXTENSIONS	DRS
	606	PUBLIC FIRE PROTECTION	DRS
	607	CONTRACTS	DRS
	609	WATER QUALITY	DRS
	612	STOCKS/BONDS	DRS
	615	WATER SUPPLY	DRS
	650	COMPLIANCE	DRS
	685	SERVICE	DRS

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

Item #
RESOLUTION W-_____
AUGUST 25, 2005

R E S O L U T I O N

Resolution W-_____ Great Oaks Water Company (Great Oaks) requests a waiver of the requirements of the Commission's General Rate Case Plan for Class A Water Utilities, Decision 04-06-018, to file its next general rate case by an advice letter instead of an application. Approved.

By Advice Letter 172, filed on June 10, 2005

Summary

Great Oaks requests approval to file its Commission required General Rate Case (GRC) pursuant to Decision (D.) 04-06-018 by advice letter rather than by application. The Office of Ratepayer Advocates (ORA) protested the advice letter. ORA recommends rejection without prejudice of the advice letter because it "...violate[s] statute or Commission orders..." and the relief requested requires consideration in a formal hearing.

This resolution denies ORA's protest and approves Great Oaks' Advice Letter 172 and grants its request for a waiver to file its GRC by advice letter.

Background

In D.04-06-018, the Commission addressed implementation of Public Utilities Code (PUCode) § 455.2 (AB 2838, Chapter 1147, 2002, Canciamilla)⁶ which requires water

⁶ PUCode § 455.2 is copied here in its entirety. It will be referenced frequently in this Resolution.

455.2. (a) The commission shall issue its final decision on a general rate case application of a water corporation with greater than 10,000 service connections in a manner that ensures that the commission's decision becomes effective on the first day of the first test year in the general rate increase application.

(b) If the commission's decision is not effective in accordance with subdivision (a), the applicant may file a tariff implementing interim rates that may be increased by an amount equal to the rate of inflation as compared to existing rates. The interim rates shall be effective on the first day of the first test year in the general rate case application. These interim rates shall be subject to refund and shall be adjusted upward or downward back to the interim rate effective date, consistent with the final rates adopted by the commission. The commission may authorize a lesser increase in interim rates if the commission finds the rates to be in the public interest. If the presiding officer in the case determines that the commission's decision cannot become effective on the first day of the

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companies with greater than 10,000 service connections to file a general rate case application every three years. Great Oaks was due to file its application in July 2005 pursuant to the filing schedule in D.04-06-018 (Appendix, p.18, slip opinion).

On May 24, 2005, pursuant to Rule 48(a) of the Commission's Rules of Practice and Procedure, the Office of Ratepayer Advocates (ORA) requested an extension of time from the Executive Director to file its Notice of Deficiency until July 8, 2005. On June 9, 2005, the Executive Director denied that request because such a delay may jeopardize timely rate relief for Great Oaks pursuant to PUCode § 455.2. In addition, the Executive Director told Great Oaks that it may, pursuant to Section G of D.04-06-018, request the Commission for a waiver to file its GRC by advice letter rather than by application. On June 10, 2005, Great Oaks filed the extant advice letter. By memorandum dated June 13, 2005 to the Commission's Docket Office, the ORA reversed its position of May 24th, and it was now willing to accept Great Oaks' filing for a general rate case application.

On June 15, 2005, the Executive Director wrote a letter to Great Oaks, with a copy to the Director of ORA, strongly urging Great Oaks to continue its course of processing its GRC by advice letter.

Notice

Notice of Advice Letter 172 was made by publication in the Commission's Daily Calendar. Great Oaks states that a copy of the Advice Letter was mailed and distributed in accordance with Section III-G of General Order 96-A.

Protests

ORA protests.

Advice Letter 172 was protested by ORA on June 30, 2005.⁷ In its protest, ORA alleges that Advice Letter 172 violates PUCode § 455.2 and D.04-06-018. ORA contends that the relief requested is "...inappropriate for the advice letter process but requires consideration in a formal

first test year due to actions by the water corporation, the presiding officer or commission may require a different effective date for the interim rates or final rates.

(c) The commission shall establish a schedule to require every water corporation subject to the rate case plan for water corporations to file an application pursuant to the plan every three years. The plan shall include a provision to allow the filing requirement to be waived upon mutual agreement of the commission and the water corporation.

(d) The requirements of subdivisions (a) and (b) may be waived at any time by mutual consent of the executive director of the commission and the water corporation.

⁷ ORA in its protest of Advice Letter 172 also protests Advice letter 173. This Resolution only addresses the protest of Advice Letter 172.

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hearing.” ORA further says that Water Division should reject Advice Letter 172 without prejudice pursuant to D.05-01-032.⁸

ORA raises the following issues which will be discussed in turn. First, ORA states that § 455.2(c)⁹ requires all Class A water companies¹⁰ to file a general rate case application every three years.

Second, ORA states that D.04-06-018 does “...provide[s] for a waiver of the General Rate Case filing deadline, this does not amount to an exemption from the New Rate Case Plan requirements.” ORA state that it does not agree to waive the filing of the application. ORA also notes that Great Oaks failed to file a timely waiver request of the General Rate Case. Great Oaks request was filed more than a month after Great Oaks tendered its proposed application. ORA insists that Water Division reject Advice Letter 172 in accord with D.05-01-032.

ORA says that Great Oaks failed to show the general rate case filing was not needed, and ORA was ready and able to process the Great Oaks general rate case application, and Great Oaks did not show that its application would not have been processed in a timely manner.

Third, ORA alleges that Great Oaks would exceed the authority for filing a general rate case as provided in Ordering Paragraph No. 9 of D.92-03-093 which limits the projected annual operating revenues, including the requested increase to \$750,000 and only to Class B, C, and D water utilities.¹¹ ORA also asserts that, contrary to PUCode § 455.2 and D.04-06-018, the showing in an advice letter is far less than what is required in an application. In addition, ORA cites a case¹² that they argue supports their position wherein the Commission rejected a Pacific Bell advice letter and required the utility to file a formal application to make a full showing on its request.

Finally, ORA alleges that approving Advice Letter 172 would “eviscerate” the rate case plan in D.04-06-018 and undo the ratepayer protections of PUCode § 455.2. ORA states that an evidentiary hearing and a Commission order are necessary to resolve Great Oaks’ request.

Great Oaks replies to ORA’s protest.

In response, Great Oaks filed its reply to the ORA protest on July 7, 2005. Great Oaks focuses on sections (c) of the statute that contain waiver provisions. Great Oaks argues that the “...waiver language of (c) clearly contemplates that variances may occur and are authorized so long as both parties, the Commission and the water corporation, agree. Moreover, Great Oaks argues that ORA’s citation of the *Pacific Bell* case is not on point. The Commission exercised

⁸ Third Interim Opinion Adopting Certain Requirements Regarding Advice Letter Filing, Service, Suspension, and Disposition.

⁹ All Code sections will refer to the Public Utilities Code.

¹⁰ The minimum number of connections for a Class A water company is 10,000. Class B water companies (fewer than 10,000 and greater than 5,000 connections) have their GRC’s processed by Advice Letter.

¹¹ Class B, C, and D all have fewer than 10,000 service connections.

¹² *Pacific Bell v. PUC*, 79 Cal.App.4th 269 (Cal. Ct. App., 2000)

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its discretion in that case where it could have authorized the advice letter process for Pacific Bell if it chose to do so.

Finally, Great Oaks asserts that its request is consistent with Standard Practice U-8-W¹³ and D.05-01-032. As to the former, Great Oaks cites with emphasis, paragraph 18, p.6 that says, "...or the utility has been so authorized, the Commission may accept a showing by advice letter, provided justification is fully set forth therein..." Great Oaks goes on to say, again with emphasis, "Remember, however, that formal proceedings can be quite expensive. If the filing can be disposed of informally, it should be."

DISCUSSION

The Commission should accept the filing of Great Oaks Advice Letter 172

Before addressing the reasonableness of Great Oaks's request, we look first at the threshold issue of whether or not we can accept the advice letter itself. While PUCode § 455.2 (c) mandates the filing of an application, it also allows the Commission the flexibility to waive the filing requirement "... upon mutual agreement of the Commission and the water corporation." In D.04-06-018, our decision establishing a Rate Case Plan, we stated that a waiver in the instance where Commission staff and the water utility agree that a General Rate Case is not needed, the request should be made via the Advice Letter process. The language in the decision was limited to the instance where there could be a delay in filing¹⁴ the GRC. It was silent on the possibility of other types of waivers.

ORA raises a significant issue in its protest regarding the requirement in General Order 96-A pursuant D.92-03-093 that limits the Advice Letter process for General Rate Cases to Class B, C, and D water companies and a total revenue impact of \$750,000. In both instances, Great Oaks does not qualify.

Turning again to General Order 96-A, parties are allowed to seek exceptions as allowed in Section XV¹⁵. While not dismissing the authority in Section G of D.04-06-018 that Great Oaks claims in its Advice Letter 172, we will also consider the authority pursuant to General Order 96-A, Section XV. The two can be harmonized and are not in conflict. Further, to the extent Great Oaks can seek a waiver by Advice Letter, fidelity to PUCode § 455.2(c) is also achieved.

We agree with Great Oaks that ORA's reference to the *Pacific Bell* is not on point.

We do agree, however, with ORA that a Commission Order is necessary, and this Resolution is that Order.

¹³ Standard Practices are manuals developed by staff that provide procedural details for commission staff, utilities, and interested parties on the formatting and required content that must be made for utility filings. While some Standard Practices are adopted by the Commission, others are not. Standard Practice U-8-W has not been adopted by the Commission. The quotes herein, though, are accurate representations of D.05-01-032.

¹⁴ See p. 25, Section G, slip opinion. The dicta addresses the situation where a GRC filing is not needed.

¹⁵ General Order 96-A, Section XV, Exceptions to the operation of this Order will be authorized upon a proper showing by any interested party.

Great Oaks request to file its General Rate Case by Advice Letter is reasonable.

Turning now to the reasonableness of Great Oaks' request, we note that it is only one district, and it is the smallest Class A water company with approximately 20,000 connections. It is closer in size and operation to Class B water companies than it is to some of the other Class A water companies that have multiple districts, hundreds of thousands of connections, and are subsidiaries of holding companies. Great Oaks is considerably less complex a utility than other Class A water companies.

The less formal Advice Letter process is much more streamlined than the formal Application process since there is no adversarial hearing process. Nevertheless, Water Division staff will still exercise critical review. With an Advice Letter GRC, there will be a more efficient allocation of staff resources. There would be no need of an Administrative Law Judge or court reporter. More than likely, a staff attorney would not be required. Great Oaks would also save time and money which would reduce the regulatory expense that is recoverable in rates.

There would be no diminution of review by Water Division staff with the Advice Letter process. Ratepayers would receive the same, if not better, representation. Water Division has the expertise and the experience to review GRC's for Class B companies which are very similar to Great Oaks. As a truly redundant measure, ORA may still, if it so chooses, participate in the Advice Letter process as a Protestant.

We are also concerned that ORA's staff may be subject to new circumstances that could further delay the processing of Great Oaks General Rate Case if it were filed by application. We note, with some displeasure, our record in meeting the timely relief for water company GRC's as mandated by PUCODE § 455.2. All suffer --- water companies not getting timely rate relief, ORA staff working out of sequence, Administrative Law Judge and Water Division staff often times reducing the time allotted to them in the Rate Case Plan to complete a proposed decision for the Commission's consideration, and customers subject to multiple rate changes if interim rates are imposed and rate uncertainty. Finally, we note that, in this case, ratepayers are better off at the outset because the cost of Great Oaks pursuing its General Rate Case by Advice Letter rather than by Application is less costly. Great Oaks' lower regulatory cost is passed on to its ratepayers. It is reasonable to allow Great Oaks to file its General Rate Case by Advice Letter rather than by Application.

There is no need for a hearing.

There are no evidentiary facts in dispute in this advice letter. We decide Great Oaks' request in this Order today based on our interpretation of PUCODE § 455.2, D.04-06-018, D.05-01-032, and General Order 96-A. ORA's protest should be denied.

This Resolution is not a precedent.

Finally, we affirm that the waiver that we grant Great Oaks today is not a precedent. It is an exception for one utility's specific request. There is a confluence of circumstances here that together persuade us to approve Advice Letter 172. We expect that circumstance will improve as we gain experience implementing PUCODE § 455.2. Other water companies should not expect

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that we would offer them carte blanche approval if they should also request similar requests for a waiver of the application process.

We may seek in R.03-09-005 or some other forum, further guidance on waiver processes for implementing PUCode § 455.2(c) so as to more clarity to all practitioners in the water industry.

Comments

PUCode §311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. PUCode §311(g)(2) provides that this 30-day period may be waived or reduced upon stipulation of all parties in the proceeding.

The 30-day comment period for the draft resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from the date of mailing of this resolution to the parties.

Comments were received from _____ on _____. Replies were received from _____ on _____.

Findings

1. Great Oaks Water Company filed Advice Letter 172 requesting approval to file its Commission required General Rate Case pursuant to Decision (D.) 04-06-018 by advice letter.
2. Great Oaks is the smallest Class A water company with approximately 20,000 service connections.
3. The Office of Ratepayer Advocates protested Great Oaks' Advice Letter 172.
4. ORA claims Advice Letter 172 violates PUCode § 455.2, D.04-06-018, and D.05-01-018, and General Order 96-A.
5. General Order 96-A allows parties to seek exceptions to the General Order.
6. The Advice Letter process is more streamlined than the application process.
7. Ratepayers, the Commission, and Great Oaks are all better off if Great Oaks is allowed to file its General Rate Case by Advice Letter rather than by Application.
8. ORA's request for hearing is denied.
9. Great Oaks request is reasonable.

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10. ORA's protest is denied.

Therefore it is ordered that:

1. Great Oaks Water Company's Advice Letter 172 is approved.
2. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on August 25, 2005; the following Commissioners voting favorably thereon:

STEVE LARSON
Executive Director

WRITING A DECISION¹⁶

One of the primary tasks of the ALJ is writing well-prepared opinions. Parts II and III of this manual are designed to help the ALJ with decision-writing, particularly findings of fact and conclusions of law. Part III is the Division's Style Guide for ALJs, Staff Examiners, and stenographers. It covers format, language, spelling, clarity, and consistency for Commission decisions.

We do not all have the same expository style. Variations in writing style are acceptable if the end product communicates well.

Your opinions should:

1. Be grammatically correct and read well.
2. Be well-organized and address all material issues. Issues that were raised in the proceeding which are not material should be identified and disposed of with an explanation why they are immaterial.
3. Explain the positions of the parties.
4. Resolve all contested material issues with a cogent discussion on the merits.
5. Apprise parties why they won or lost on litigated issues.
6. Explain Commission policy so that readers can understand the basis of the policy.
7. Explain any departure from established Commission policy.
8. Contain adequate findings of fact and conclusions of law.

The opinion should be written so that a lay person can understand it. Most of the people who will read our decisions are not experts in regulation. Few members of the public, the press corps, the Legislature, and the California Supreme Court really understand our work. They are easily confused or put off by our regulatory jargon. Accordingly, our decisions, particularly in the contested matters, must educate the public and sell the result we reach.

¹⁶ Extracted from "Writing A Decision," Administrative Law Judges Division, 3/81, see Document Number 183047

A well-written decision tells the reader the facts and the issues and shows him the process by which those issues are resolved. The finished product should allow the reader to fully comprehend with the least effort.

The fundamentals of good decision-writing include:

1. Organization of issues and subject matter in a logical sequence. The reader should not have to consider more than one subject at a time and should be comfortable with the arrangement of them;
2. Clarity of expression so that the reader knows exactly what thought the writer intends to impart;
3. Conciseness so that the reader's comprehension of the subject is not blunted by the necessity of wading through unessential material;
4. Continuity of thought so that the reader's concentration is not interrupted unnecessarily; and
5. A grammatical style which does not distract the reader and allows for an effortless comprehension of the thoughts being communicated. Common faults are repeated use of long, involved, and digressive sentences and the use of words which require the reader to consult a dictionary.

The better you state the issues and explain how you resolve them, the better the chances are that the Commission will adopt your proposed opinion. A well-written and well-reasoned opinion is difficult to refute.

What a Decision Must Contain

A decision must contain:

1. A title in the same form as prescribed for pleadings in the Rules of Practice and Procedure, together with a space in the upper left corner for "Decision _____".
2. A Table of Contents whenever a decision exceeds 50 pages, not including appendixes, or whenever such Table of Contents will assist in understanding the issues presented.
3. A list of Appearances. (May be placed in an appendix.)
4. An Opinion portion containing:
 - a. A brief statement describing what the proceeding is about. (Jurisdictional.)

- b. A brief summary of the procedural history of the matter (Hearings, notices, briefs, submission, etc.)
 - c. A concise general description of the positions of the participating parties on the disposition of the proceeding or the particular issue under discussion.
 - d. A description of motions not ruled upon during the proceeding, together with rulings on such motions.
 - e. A discussion of each contested issue and a determination of each such issue.
 - f. A separate statement of the findings of fact which are necessary for disposition of the proceeding and which support the conclusions of law underlying the ultimate order.
 - g. The conclusions of law dispositive of the proceeding and which cover all of the matters included in the order.
 - h. Such notices and admonishments that may be required by the nature of the proceeding. (See Stock Paragraphs Manual.)
- 5. An Order.
 - 6. An effective date of the Order.
 - 7. The appendixes referred to in the decision.
 - 8. A glossary for orders of 50 or more pages spelling out shortcuts used in the order.

While all these components are necessary to a decision, the opinion portion is the greatest challenge to the ALJ. It must be well-organized and thorough and must justify the proposed order. The law requires that it set forth the material issues, the conclusions of law determining those issues, and the findings of fact on which those conclusions are based.¹⁷

SOME DO'S AND DON'TS

Unnecessary Recitation

Do not recite or quote the evidence at length unless it is absolutely necessary to a determination of some issue. The decision should mainly concern itself with the facts found from the evidence and not with exhaustive recitation of the evidence. However, a

¹⁷ PU Code § 1705.

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summary of the nature and thrust of testimony or exhibits is sometimes helpful to a description of the issues and their determination. And a summary of the evidence may be crucial when you determine that certain evidence should be accorded little or no weight. Then, the evidence should be described in more detail to explain why it is not entitled to full credence. You may also wish to quote at length when the actual words in the transcript or exhibits are dispositive of a contested issue. Whenever you quote from the record or make specific reference to it, cite either the exhibit number or the transcript volume and page.

Visual Aids

Sometimes reproducing an exhibit may be helpful. For example, grade-crossing diagrams, transmission line route maps, or service area maps can save many pages of explanation and description.

Irrelevant Discussion

Some decisions contain a lengthy discussion of a disputed issue, the resolution of which will have no effect whatever upon the ultimate determination. This practice not only wastes resources, e.g. the time of the ALJ, the Chief ALJ, Assistant Chief ALJ, typists, staff, Commissioners and their staffs, but also diverts the reader from the important issues. You simply dispose of such disputed issues by setting forth why they are not material to the ultimate disposition of the proceeding.

Excessive Citations

Citations are not necessary for well-established regulatory principles. If citations are made don't cite authority ad nauseam. One or two citations to most recent authority will suffice. The exception may be where a novel legal issue is involved.

Poor Organization

A poorly organized opinion distracts the reader. Your opinion should dispose of the issues singly and in a logical order. Use marginal captions to divide the opinion into component parts. A well-organized opinion reflects an organized mind.

Outlining

In complex matters with many issues, an outline will (1) help organize your opinion; (2) ensure that each issue is completely explained, discussed, and resolved in one place and in a logical order; and (3) save you time.

DEFINITIONS

The concepts defined below represent the building blocks of our opinions. Each of these terms has a specific meaning in law and they are not interchangeable.

MATERIAL ISSUE: A question of fact or law which the Commission must decide in order to dispose of the proceeding.

FINDING OF FACT: A positive statement of the existence or nonexistence of a thing or event (past, present or future) or the state or characteristic of a thing or event. Well-drafted findings of fact usually head the reader inescapably to the writer's conclusion. If each material issue is resolved by one or more factual findings, you have a good chance of convincing the Commission your proposed order is correct and your order will probably be supportable before the Supreme Court. To be sure you prepare adequate findings: (1) write one or more factual findings after analyzing each issue and put them aside to include later in the findings, or (2) go through the opinion and write findings that address each contested issue. An excellent reference on adequate findings of fact is TURN v PUC, PT&T (1978) 22 C 3d 529. (See particularly the dissent.)

CONCLUSION OF LAW: A statement of the law or of principle applied to facts which dispose of an issue. To determine what the conclusion of law should contain, look to the language of the applicable code sections.

EVIDENCE: Sworn testimony, documentary exhibits of record, stipulations of facts, and such things or events of which the Commission has taken official notice, constitute the source (evidence) from which all findings of fact are made.

INFERENCE: A deduction of a fact that may logically and reasonable be drawn from another fact or group of facts which have been established. It is the type of deduction that requires no expertise and would be made by any normal person, particularly a juror who is a trier of fact.

PRESUMPTION: An assumption of fact that the law requires.¹⁸

ULTIMATE ISSUE: In any proceeding the relief requested in the pleadings is the ultimate issue. In a rate increase application the ultimate issue is what rates should be authorized or prescribed. In a certificate application the ultimate issue is what authority, if any, should be granted. In a complaint proceeding the ultimate issue is what relief should be granted. In a rule-making proceeding the ultimate issue is what rules, if any, should be prescribed. Ultimate issues concern those things that will be ordered by the Commission.

The ultimate issues are determined from conclusions of law which are usually set forth in the Public Utilities Code. When increases in rates have been shown to be justified, they should be granted; and when they have not been shown to be justified, they should be denied. Construction or operations which have been shown to be required by public convenience and necessity should be authorized; but construction or operations and necessity should not be authorized. Where a complainant has been damaged by being charged an unreasonable rate, and where reparation for such damage will not result in

¹⁸ See §§ 600 et seq. of the Evidence Code. In Commission proceedings most of the presumptions are those affecting the burden of producing evidence, which are rebuttable presumptions and are somewhat procedural in nature. Our discussion will concern these.

discrimination, the reparation should be awarded. Those conclusions of law which are determinative of the ultimate issues we will call *ultimate conclusions*.

From the above it may be seen that the ultimate conclusions require the Commission to make determination of the existence, nonexistence, or state of things, in other words, findings of fact. A determination of the ultimate issue requires findings of fact by the Commission on those matters. We call such findings *ultimate findings of fact*. All matters and questions that may influence the Commission in making such findings are *material issues*.

Generally the facts in the ultimate findings constitute broad concepts requiring the weighing of many things.¹⁹ What constitutes “public convenience and necessity”? The concept may not be briefly defined, but it may be said generally that where the advantages to the public from the construction of utility plant or utility operations outweigh the disadvantages to the public, the construction or operation is required by public convenience and necessity. What constitutes a “reasonable rate” and when is an increase in rates “justified”? Again, the concepts cannot be defined other than in general terms. Just and reasonable rates are those which provide the utility opportunity for reasonable earnings and place the burden of achieving those earnings justly and equitable among the classes of ratepayers. Ordinarily, a rate increase is justified when it is shown to be necessary to the establishment of “just and reasonable” rates. Those conclusions of law (statement of principles) evolved from determination in many decisions, both state and federal, over a long period of time. For purposes here we will call them PRINCIPAL ISSUES. They call for the Commission to make findings of fact on the matters recited therein; e.g. will the public benefit more than be disadvantaged, will the rates provide reasonable earnings to the utility, and will the rates distribute the burden justly and equitably? We will call the findings on the principal issues the PRINCIPAL FINDINGS OF FACT.

Determination of principal findings of fact usually requires the weighing of many criteria or circumstances. In some cases the Commission, particularly in rate matters and in some certificate matters, prescribes the criteria to be considered. In some cases the statutes prescribe the criteria. The courts in decisions on review have prescribed criteria the Commission must consider to regularly pursue its authority and to provide due process. The weight to be accorded any of the criteria to be considered is within the province of the Commission, and its determination is a conclusion of law. In some proceedings a participant may urge the Commission to consider certain other criteria in making its principal findings of fact or its ultimate findings of fact. The determination of whether to consider such criteria is a conclusion of law.

¹⁹ This statement holds in connection with legislative proceedings before the Commission. In most judicial proceedings, such as a minimum rate enforcement proceeding, the ultimate findings are determined directly from findings on the basic issues, which will be described later.

The criteria provide questions as to the existence, nonexistence, characteristics, or state of things or events; call the BASIC ISSUES because ordinarily the findings of fact (BASIC FINDINGS) may be made directly from the evidence, from inference from the evidence, or from evidence together with presumptions.

Basic issues are more easily recognized in enforcement proceedings. The ultimate issue is what should be provided in the order, i.e. the judgment. If the pleading requesting sanctions alleges the utility disobeyed an order of the Commission in violation of the Public Utilities Code, that allegation is one of the principal issues. The basic issues that must be determined which lead to a decision on that principal issue are: (1) is the utility subject to the regulations prescribed in the order, (2) what are the regulations prescribed, and (3) what did the utility do? The basic issues become immediately apparent because the pleading initiating the proceeding (complaint, OII, or Order to Show Cause with its accompanying affidavit) must allege the facts embodied in those basic issues.

A finding of fact that the alleged offense was committed disposes only of one principal issue. The ultimate issue is what action should be ordered. The actions that may be taken are circumscribed by the statute and to some extent they vary with the classification of utility or carrier and with the nature of the offense.

Findings of Facts and Results of Operations Issues

In rate increase proceedings, the parties frequently litigate elements of the results of operations. Yet opinions have sometimes contained only the finding “the adopted results of operations in Table * is reasonable.” That by itself, is inadequate. The following hypothetical case will illustrate how to dispose of contested results of operations issues. The findings of fact on the results of operations issues should be something like this:

1. Applicant’s estimate of annual consumption per customer assumes that during the test period all customers will have converted to toilets using one gallon per flush; however, at most, only 50% of customers will convert because of an overall shortage of such toilets.
2. The staff’s estimate of \$10 per foot for installed 8-inch water mains does not reflect the latest price for 8-inch pipe, which is \$12 per foot.
3. The adopted results of operations in Table I is reasonable. (Ultimate finding.)

Findings of Fact and Rate Design

Rate design causes problems because it is probably hardest to relate an ultimate rate design to the underlying supporting facts. Therefore, you should begin by asking yourself what policy goal is the rate design trying to achieve; for example,

- To encourage conservation?
- To keep customers on the system?

Appendix C

- To establish prices at competitive levels:
- To fairly allocate and recover costs (fixed and/or variable costs)?
- To minimize disparity?
- To encourage consumption at particular times?
- To establish rates as use-sensitive as possible?

Once you have set your goal, then list the facts from the evidence which lead to the ultimate conclusionary finding that the adopted rates are just an reasonable.¹

¹ You will make a better record if you ensure that rate design witnesses fully explain their goals and assumptions. Often exhibits by both staff and utilities omit the underlying philosophy, rationale, or goals of a proposed rate design. However, a good opinion should at least briefly cover these points.

Routing Slip - Letter for Executive Director's Signature

Letter Sent to: _____

Letter originated from (Division/Branch): _____

Subject: _____

Reviewed by:	Name	Initial	Date
Supervisor			
Branch Chief			
Division Director			

Preparing One-Pagers – Things to Keep in Mind

Information we provide to decision-makers should be concise, easy to scan, and only contain the most essential facts and arguments.

Layout/Organization

- First sentence should contain the point or conclusion.
- Use headings and subheadings, so that the major points can be understood at a glance.
- Strive to keep it to one page
 - If you have graphs and charts that support the conclusions or help convey the information, you may want to attach these charts – but if you can, it’s much better to fit them in along with the text, and still keep within the one page limit.
 - Feel free to adjust fonts (but no smaller than 10 pt) and margins to make the one-pager work.

Content

- To keep within the limits of a one-pager, you have to do a lot of thinking about what is critical, and then work to make the points as succinctly as possible.
- Take the audience into consideration – what do they need to know?
 - Ask yourself; “if the person only had two minutes to make a decision on what to do, what is the most important thing they would need to know?”
 - Try to consider what simple follow-up questions would be asked about what you’ve written, and make sure the one-pager already answers them.
 - In the one-pager, remember that you aren’t making all the arguments, or conveying all of the important information you know. If the decision maker wants more detail, you can bet that they’ll ask for it.